

**DOCKET FILE COPY**  
**DUPLICATE**

Before the  
**FEDERAL COMMUNICATIONS COMMISSION**  
Washington, D.C.

DA 91-1637

In the Matter of )  
 )  
Local Exchange Carrier Line )  
Information Database )  
 )  
 )

CC Docket No. 92-24 ✓

**ORDER**

Adopted: December 30, 1991; Released: December 30, 1991

By the Deputy Chief (Policy), Common Carrier Bureau:

**I. INTRODUCTION**

1. Ameritech Operating Companies (Ameritech), Bell Atlantic Telephone Companies (Bell Atlantic), BellSouth Telephone Companies (BellSouth), GTE Telephone Operating Companies (GTE), NYNEX Telephone Companies (NYNEX), Pacific Bell Telephone Companies (Pacific Bell), Southwestern Bell Telephone Company (SWB), United Telephone System (United), and US West, Inc. (US West) have filed petitions for waiver of Part 69 of the Commission's Rules, 47 C.F.R. Part 69, to establish rate elements for transmission services connecting customers to the carriers' common channel signaling networks (CCS) and to establish rate elements for access to the data in their line information databases (LIDB). The above carriers have also filed tariffs for CCS access and LIDB. These tariffs are scheduled to take effect on December 31, 1991. Several pleadings have been filed in response to the above waiver petitions and tariffs.

2. For the reasons discussed below, we hereby grant the requested waivers to the extent that they comply with the Southwestern Bell LIDB Order.<sup>1</sup> We also suspend these transmittals for one day, impose an accounting order, and initiate an investigation of the tariffs captioned above.

**II. WAIVER PETITIONS**

**A. Background**

3. LIDB<sup>2</sup> is a database created by local exchange carriers (LECs). These databases are interconnected in order to enable LECs to share with each other

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<sup>1</sup> Southwestern Bell Telephone Company, Petitions for Waiver of Part 69 of the Commission's Rules, DA 91-1258, 6 FCC Red 6095 (Com.Car.Bur. 1991) (Southwestern Bell LIDB Order).

<sup>2</sup> Unless otherwise indicated, the acronym "LIDB" is an abbreviation for Line Information Database (or Data Base).

and with interested third parties data on the account status<sup>3</sup> of LEC joint use calling cards,<sup>4</sup> as well as information on line numbers, such as third party billing exceptions.<sup>5</sup> This information is stored in LIDB and updated by the LECs on a regular basis. LIDB service will enable LEC customers such as interexchange carriers (IXCs) to query the database to determine whether a caller is the authorized user of a valid LEC joint use card, or whether a particular telephone number can accept collect or third-party billed calls, before transmitting any call using that card or line number.

4. Both the LECs and the IXCs have developed CCS networks which operate as part of their switched networks to assist in the routing and delivery of telecommunications traffic. Many of the carriers' services that use CCS network capabilities (including LIDB) will require the LECs and their customers to interconnect their CCS networks. CCS interconnection service requires at a minimum one 56 kilobit per second (kbps) link connecting an IXC's CCS network to the signaling transfer points (STPs) in the LEC's network. This link can be used by the LEC to transmit out-of-band signaling information to IXCs, which provides IXCs with faster call set-up than is possible with in-band signaling. CCS interconnection service also enables the IXC to transmit queries to STPs and thence to LEC databases, like the queries an IXC sends to LIDB for purposes of calling card validation or third party billing information.

5. On October 4, 1991, the Common Carrier Bureau released our decision granting the petition for waiver filed by Southwestern Bell to establish new rate elements for provision of LIDB services.<sup>6</sup> Specifically, the Bureau permitted Southwestern Bell to recover the costs of LIDB service through two separate charges, one which recovers the costs of the STP facilities and the transmission lines dedicated exclusively to LIDB, and one which recovers the costs of the service control point (SCP) which is the database itself.<sup>7</sup> We also granted Southwestern Bell's CCS interconnection waiver to the extent necessary to create two new transport elements. The first of these is a charge per port for the STP port in which the transmission facility between the IXC's signaling point of interconnection (SPOI) and the LEC's signaling network terminates. The second subelement is a charge per line which recovers the costs of the transmission facility itself.<sup>8</sup> We granted those waivers on an

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<sup>3</sup> See Cincinnati Bell Telephone Co., CC Docket No. 323, 6 FCC Rcd 3501, 3501 n.2 (1991) (Cincinnati Bell Final Order).

<sup>4</sup> See Policies and Rules Concerning Local Exchange Carrier Validation and Billing Information for Joint Use Cards; Notice of Proposed Rulemaking, CC Docket No. 91-115, 6 FCC Rcd 3506, 3506 n.1 (1991) (Cincinnati Bell Rulemaking).

<sup>5</sup> Id. at 3507 n.4.

<sup>6</sup> See Southwestern Bell LIDB Order.

<sup>7</sup> See id. at 6098.

<sup>8</sup> See id. at 6099-6100.

interim basis, pending the outcome of the Commission's rulemaking proceedings in the Cincinnati Bell Rulemaking and CC Dockets 91-141<sup>9</sup> and 91-213.<sup>10</sup>

#### B. Petitions

6. Following the release of the Southwestern Bell LIDB Order, Ameritech, Bell Atlantic, BellSouth, GTE, NYNEX, Pacific Bell, United, and US West filed petitions for waiver of Part 69 of the Commission's Rules, in which they seek authority to establish the rate elements which Southwestern Bell was permitted to establish in the Southwestern Bell LIDB Order.

7. Ameritech filed two separate waiver petitions on November 12, 1991, to establish CCS access the SPOI-to-STP port transmission service and LIDB service (the database query service). United filed a waiver petition on November 15, 1991, to establish access service rates and regulations for the provision of Common Channel Signaling/Signaling System 7 Interconnection Service (CCS/SS7) and LIDB Access Service.

8. Several carriers filed waiver petitions which they subsequently clarified or amended. See Bell Atlantic Amendment to Petition for Waiver, filed November 14, 1991, and Bell Atlantic Petition for Waiver, filed November 20, 1991; BellSouth Petition for Waiver, filed November 14, 1991; GTE Petition for Waiver, filed October 21, 1991, as amended November 1, 1991; NYNEX Petition for Waiver, filed November 8, 1991, as amended December 6, 1991, and NYNEX Petition for Waiver, filed December 11, 1991; Pacific Bell Petition for Waiver, filed November 8, 1991, and petition for waiver filed December 23, 1991; US West Petition for Waiver, filed October 25, 1991, as amended on November 12, 1991. On October 25, 1991, US West also filed a motion for partial withdrawal of the portion of its August 1, 1991 petition for waiver that concerns CCS Access Capability (CCSAC). As a result of the above filings, each of these carriers has requested waiver of Part 69 of the Commission's Rules to establish the four rate elements<sup>11</sup> which Southwestern Bell was permitted to establish in the Southwestern Bell LIDB Order.<sup>12</sup>

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<sup>9</sup> See Expanded Interconnection with Local Telephone Company Facilities, CC Docket No. 91-141, Notice of Proposed Rulemaking, 6 FCC Rcd 3259 (1991) (Expanded Interconnection Rulemaking).

<sup>10</sup> MTS and WATS Market Structure, CC Docket No. 78-72 and Transport Rate Structure and Pricing, CC Docket No. 91-213, 6 FCC Rcd 6126 (1991) (Transport Rulemaking).

<sup>11</sup> Although BellSouth's waiver petition incorrectly states that all of the new subelements are subelements of a new LIDB access element, we grant BellSouth a waiver to establish its LIDB query service as two subelements of a new LIDB access element, and to establish its CCS interconnection service as a new subelement of the transport access element, as we did in the Southwestern Bell LIDB Order.

<sup>12</sup> See para. 5, supra.

## C. Pleadings

### 1. Ameritech

9. On November 21, 1991, Allnet Communication Services, Inc. (Allnet) filed an opposition to the petition for waiver filed by Ameritech.<sup>13</sup> In its opposition, Allnet argues that Ameritech is not requesting a waiver of Part 69 of the Commission's Rules but is in fact seeking a reconsideration of the Commission's Ameritech Order which rejected Ameritech's attempt to obtain the identical waiver sought here for CCS7 interconnection.<sup>14</sup> Allnet asserts that Ameritech's petition relies solely upon the Southwestern Bell LIDB Order, and claims that this reliance is misplaced.<sup>15</sup> Allnet further argues that Ameritech can offer LIDB access today without a waiver.<sup>16</sup>

### 2. Bell Atlantic

10. On November 25, 1991, Allnet filed an opposition to the petition for waiver filed by Bell Atlantic on November 14, 1991.<sup>17</sup> Allnet argues that Bell Atlantic should be required to provide CCS interconnection free of charge, and that the Southwestern Bell LIDB Order provides no basis for Bell Atlantic's proposal to charge for CCS interconnection.<sup>18</sup>

### 3. BellSouth

11. On November 25, 1991, Allnet filed an opposition to the petition for waiver filed by BellSouth.<sup>19</sup> Allnet urges the Commission to deny the waiver to

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<sup>13</sup> Ameritech submitted a reply to Allnet's opposition on December 5, 1991. Pursuant to Section 1.45(b) of the Commission's Rules, 47 C.F.R. § 1.45(b), replies were due no later than November 29, 1991. Therefore, we will not consider Ameritech's reply.

<sup>14</sup> See Allnet Petition at 1, citing Ameritech Operating Companies, Revisions to Tariff F.C.C. No. 2, Transmittal Nos. 396, 420, 480, and 498, Order, 6 FCC Rcd 746 (Com.Car.Bur. 1991) (Ameritech Order).

<sup>15</sup> Id. at 2.

<sup>16</sup> Id. at 2-3.

<sup>17</sup> Bell Atlantic filed a reply to Allnet's opposition on December 5, 1991. Pursuant to Section 1.45(b) of the Commission's Rules, 47 C.F.R. § 1.45(b), replies were due no later than December 3, 1991. Bell Atlantic did not file a motion to accept its late reply. Therefore, we will not consider Bell Atlantic's reply.

<sup>18</sup> Allnet Opposition at 2-3.

<sup>19</sup> BellSouth filed a reply to Allnet's opposition on December 6, 1991. Pursuant to Section 1.45(b) of the Commission's Rules, 47 C.F.R. § 1.45(b), replies were due no later than December 3, 1991. BellSouth did not file a

the extent that it requests that separate rate elements be established for the recovery of CCS interconnection costs.<sup>20</sup> Allnet argues that the costs for CCS are already being recovered through the existing switched access revenue of BellSouth, and insists that there is no reason to reverse the policy established in the Ameritech Order.<sup>21</sup>

#### 4. US West

12. On November 7, 1991, Allnet filed comments concerning US West's October 25, 1991, motion to withdraw partially its August 1, 1991 petition.<sup>22</sup> US West filed a reply to Allnet's comments on November 22, 1991.<sup>23</sup>

13. Allnet argues that US West is filing a rate structure that is consistent with the Southwestern Bell LIDB Order, and insists that such action is improper. Allnet claims that the conclusion in the Southwestern Bell LIDB Order that the existing Part 69 Rules fail to accommodate CCS interconnection charges is erroneous and inconsistent with the Ameritech Order.<sup>24</sup>

14. US West replies that Allnet's comments have no merit and should be rejected. US West asserts that Allnet is arguing that no new rate elements are needed for the recovery of CCSAC costs. US West contends that Allnet, by contending that the Ameritech Order should control, and not the Southwestern Bell LIDB Order, is attacking actions taken by the Bureau, not US West Transmittal 203. Therefore, says US West, the Bureau should reject Allnet's

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motion to accept its late reply. Therefore, we will not consider BellSouth's reply.

<sup>20</sup> Allnet Petition Against BellSouth Waiver at 1.

<sup>21</sup> Id. at 2-4.

<sup>22</sup> On November 12, 1991, US Sprint Communications Company Limited Partnership (Sprint) filed comments in response to the petition of US West for waiver of Part 69 of the Commission's Rules. Pursuant to Section 1.45(a) of the Commission's Rules, 47 C.F.R. § 1.45(a), comments in response to US West's petition for waiver should have been filed no later than November 4, 1991. Sprint did not file a motion to accept its late comments. Therefore, we will not consider Sprint's comments. US West filed a reply to Sprint's comments on November 20, 1991. Because we are not accepting Sprint's comments, it is unnecessary to consider US West's reply.

<sup>23</sup> US West, filing its reply two days late, also filed a motion for late acceptance, citing the fact that Allnet did not serve US West with a copy of its comments. Through its own efforts, US West was able to obtain a copy of Allnet's comments on November 14, 1991. US West's motion for late acceptance is hereby granted.

<sup>24</sup> Allnet Comments on US West Motion for Partial Withdrawal of Petition for Waiver at 1, citing Ameritech Order.

contentions.<sup>25</sup>

#### D. Discussion

15. The petitioners request waivers of Part 69 of the Commission's Rules to establish the same rate structure that the Bureau granted to Southwestern Bell in the Southwestern Bell LIDB Order. Specifically, the Bureau granted the Southwestern Bell waiver petition to establish two subelements for the new LIDB access element: a charge per LIDB query which recovers the costs of the STP ports and the transmission lines connecting the LIDB SCP to the LEC's CCS network, and a charge per query which recovers the costs of the SCP. The Southwestern Bell LIDB Order also permitted Southwestern Bell to establish two new transport subelements in the transport element: a charge per line to recover the costs of the link between the IXC SPOI and a LEC STP and a charge per port to recover the costs of the STP port at which the CCS link terminates.<sup>26</sup> Because the waiver petitions seek authority to establish the rate structure approved in the Southwestern Bell Order, they are hereby granted for the reasons discussed in that Order.

### III. TARIFF FILINGS

#### A. Transmittals

##### 1. Ameritech

16. Ameritech filed Transmittal No. 574 to introduce "Signal Transfer Point (STP) Access" which allows a customer to interconnect with Ameritech's "Common Channel Signaling (CCS) network," and Transmittal No. 575 to introduce "Line Information Data Base (LIDB) service," on November 12, 1991. Ameritech filed Transmittal No. 586 on December 13, 1991, to provide revisions to the support material for Ameritech's STP access filing, Transmittal No. 574. Ameritech also amended Transmittal No. 575 on December 13, 1991, to modify the cost support material and the net revenue test originally filed in Transmittal No. 575. On December 19, 1991, Ameritech filed Transmittal No. 587 to clarify the requirements for "Signal Transfer Point (STP) Access."

##### 2. Bell Atlantic

17. Bell Atlantic filed Transmittal No. 476 to establish the rates for "Common Channel Signaling Access Service" and a "Billing Validation Service" on November 20, 1991. Each customer arrangement will consist of a dedicated 56 kbps channel and an STP port.

##### 3. BellSouth

18. BellSouth filed Transmittal No. 439 to establish the rates for a "Line

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<sup>25</sup> US West Reply to Allnet's Comments on US West's Motion for Partial Withdrawal of Petition for Waiver at 2-3.

<sup>26</sup> See Southwestern Bell LIDB Order, 6 FCC Rcd at 6099.

Information Data Base (LIDB) Access Service" on November 15, 1991. This service will provide the customer with the ability to query billing validation data contained in BellSouth's LIDB.

4. GTE

19. GTE filed Transmittal Nos. 691 and 692 on November 14, 1991, to establish new switched access rate elements for "Common Channel Signaling System 7 (CCS7) Access service" and for "LIDB Query service."

5. NYNEX

20. NYNEX filed Transmittal No. 60 on November 15, 1991 to introduce rates for "Line Information Data Base (LIDB) Access Service." NYNEX filed Transmittal No. 61 on November 22, 1991, to correct Transmittal No. 60, Transmittal No. 67 on December 11, 1991, to modify LIDB access to be consistent with the Southwestern Bell LIDB Order, and Transmittal No. 70, on December 13, 1991, to modify its CCS provisions by establishing rates for interconnection consistent with the Southwestern Bell LIDB Order.

6. Pacific Bell

21. Pacific Bell filed Transmittal No. 1557 to introduce "Line Information Data Base (LIDB)" as a new service, on November 15, 1991. On November 25, 1991, Pacific Bell filed Transmittal No. 1558, to correct the rates for the LIDB Transport and LIDB Query rate elements. According to Transmittal No. 1558, these two rate elements were inadvertently transposed in Transmittal No. 1557. On December 24, 1991, Pacific Bell filed Transmittal No. 1562, to convert the LIDB nonrecurring charge from a one-time service establishment charge to a charge applicable to each originating point code established in Pacific Bell's LIDB data base, and to introduce a rate structure for "SS7 interconnection" consistent with the Southwestern Bell LIDB Order.

7. Southwestern Bell

22. On November 4, 1991, Southwestern Bell, pursuant to the Southwestern Bell LIDB Order, filed Transmittal No. 2148 to establish a new switched access rate element for the provisioning of "Common Channel Signaling/Signaling System 7 (CCS/SS7) Interconnection Service," and Transmittal No. 2149 to introduce "Line Information Data Base (LIDB) Validation Service."

8. United

23. United filed Transmittal No. 287 to introduce access service rates for "Common Channel Signaling/Signaling System 7 (CCS/SS7) Interconnection Service" and "Line Information Data Base (LIDB) Access Service" on November 15, 1991.

9. US West

24. US West filed Transmittal No. 203 on October 25, 1991, to introduce "Common Channel Signaling Access Capability (CCSAC)" and "Line Information

Data Base (LIDB)" service, and filed a letter correcting Transmittal 203 on November 27, 1991. Under Transmittal No. 219, filed on December 16, 1991, US West further modified the initial filing to introduce a 56 kbps capacity option for CCSAC in addition to the DS1 capacity option defined in Transmittal No. 203.

B. Pleadings

1. Ameritech

25. Allnet filed petitions to reject Ameritech Transmittal No. 574 and Transmittal No. 575 on November 27, 1991. MCI Telecommunications Corporation (MCI) filed a petition to suspend and investigate Ameritech Transmittal No. 574, and a petition to reject or to suspend and investigate Ameritech Transmittal No. 575 on November 27, 1991.<sup>27</sup> Sprint filed a petition to suspend and investigate Transmittal Nos. 574 and 575 on November 27, 1991. On December 9, 1991, Ameritech filed one reply to all of the petitions against Transmittal No. 574, and one reply to all of the petitions against Transmittal No. 575.

26. Allnet, MCI, and Sprint all argue that the cost support for Transmittal Nos. 574 and 575 is insufficient and claim that the rates are unreasonably high.<sup>28</sup> Sprint asserts that Ameritech's loading factors are unsupported and unreasonable.<sup>29</sup> MCI argues that the terms and conditions in Ameritech's LIDB tariff are unreasonably vague.<sup>30</sup> Allnet complains that Ameritech is placing an undue cost burden on small IXCs by requiring customers to purchase a DS1 facility in order to access LIDB, regardless of a customer's need for all of the capacity on a DS1.<sup>31</sup>

27. Ameritech replies that its proposed STP port rate has been fully supported. Ameritech also argues that the terms and conditions for STP access are reasonable.<sup>32</sup> Ameritech also claims that Allnet is incorrect and asserts that Transmittal No. 574 does not require a customer to purchase a DS1 to obtain STP access. Rather, Ameritech asserts that it will multiplex the customer's 56 kbps circuit into a DS1 bit stream at the customer's wire servicing center to meet the technical specifications required for

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<sup>27</sup> The petition filed by MCI is a consolidated petition against Ameritech, GTE, Bell Atlantic, BellSouth, Pacific Bell, and NYNEX.

<sup>28</sup> See Allnet Petition Against Ameritech Tr. 574 at 3-5; MCI Petition Against Ameritech Tr. 574 at 3-4; MCI Petition Against Ameritech Tr. 575 at 7-9; Sprint Petition Against Ameritech Trs. 574 and 575 at 2-9.

<sup>29</sup> Sprint Petition Against Ameritech Trs. 574 and 575 at 7-9.

<sup>30</sup> MCI Petition Against Ameritech Tr. 575 at 3-5.

<sup>31</sup> Allnet Petition Against Ameritech Tr. 574 at 5-6.

<sup>32</sup> Ameritech Reply to Petitions Against Tr. 574 at 2-6.



interconnection to the CCS network.<sup>33</sup>

28. Ameritech also challenges MCI's assertion that the terms and conditions in the LIDB tariff are unreasonably vague, arguing that MCI is attempting to create a new requirement which is inappropriate and overly burdensome.<sup>34</sup> Ameritech also asserts the rates for LIDB validation recover their fully distributed cost and also pass the net revenue test. Furthermore, argues Ameritech, when the rates for LIDB validation service are compared with rates charged by other validation service providers they are reasonable.<sup>35</sup>

## 2. Bell Atlantic

29. On December 5, 1991, Allnet, MCI, and Sprint filed petitions to reject or suspend and investigate Bell Atlantic Transmittal No. 476. Bell Atlantic filed a reply to these petitions on December 16, 1991.

30. Allnet, MCI, and Sprint all argue that the cost support for Transmittal No. 476 is insufficient and claim that the rates are unreasonably high.<sup>36</sup> Allnet alleges that Bell Atlantic improperly uses existing 56 kbps DDS channel mileage rates for establishing the rates for the links between the access customers' SPOI and the STP.<sup>37</sup> Sprint charges that Bell Atlantic uses questionable demand forecasts for Billing Validation Service (BVS) query validation.<sup>38</sup> Sprint also asserts that Bell Atlantic's loading factors are unsupported and unreasonable.<sup>39</sup> MCI argues that the terms and conditions in Bell Atlantic's LIDB tariff are unreasonably vague.<sup>40</sup>

31. Bell Atlantic replies that its cost support is sufficient and that its rates are reasonable.<sup>41</sup> Bell Atlantic argues that it uses the rates for 56 kbps Digital Data Service (DDS) because there is no material difference between

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<sup>33</sup> Id. at 4.

<sup>34</sup> Ameritech Reply to Petitions Against Ameritech Tr. 575 at 2-3.

<sup>35</sup> Ameritech Reply to Petitions Against Tr. 575 at 7.

<sup>36</sup> Allnet Petition Against Bell Atlantic Tr. 476 at 2-4; MCI Petition Against Bell Atlantic Tr. 476 at 7-9; Sprint Petition Against Bell Atlantic Tr. 476 at 2-4.

<sup>37</sup> Allnet Petition Against Bell Atlantic Tr. 476 at 2-3.

<sup>38</sup> Sprint Petition Against Bell Atlantic Tr. 476 at 5-6. See also Allnet Petition Against Bell Atlantic Tr. 476 at 2 n.3.

<sup>39</sup> Sprint Petition at 7-9.

<sup>40</sup> MCI Petition Against Bell Atlantic Tr. 476 at 3-5.

<sup>41</sup> Bell Atlantic Reply to Petitions Against Tr. 476 at 2-10.

that service and Common Channel Signaling Access Service (CCSAS) links although these links will be treated as switched access services for accounting and other purposes.<sup>42</sup> Bell Atlantic contends that its demand forecast is based on its experience with carrier demand for Bell Atlantic's IQ card and is reasonable.<sup>43</sup> Bell Atlantic asserts that its loading factors are reasonable.<sup>44</sup> Finally, Bell Atlantic argues that MCI's claims that the terms of the tariff are unreasonably vague are incorrect, and asserts that MCI's suggested changes indicate a lack of understanding of the service offering.<sup>45</sup>

### 3. BellSouth

32. MCI filed a petition to reject or suspend and investigate BellSouth Transmittal No. 439 on November 27, 1991. Allnet filed a petition to reject the transmittal on December 2, 1991. Sprint filed a petition to suspend and investigate the transmittal on December 2, 1991. BellSouth filed a reply to these petitions on December 12, 1991.

33. Allnet, MCI, and Sprint all argue that the cost support for Transmittal No. 439 is insufficient and claim that the rates are unreasonably high.<sup>46</sup> MCI charges that BellSouth improperly alludes to the CCSIC<sup>47</sup> model for calculating investment.<sup>48</sup> Allnet and Sprint assert that BellSouth's loading factors are unsupported and unreasonable.<sup>49</sup> MCI argues that the terms and conditions in BellSouth's LIDB tariff are unreasonably vague.<sup>50</sup>

34. BellSouth replies that its cost support is adequate and that Transmittal 439 meets all pricing requirements of the Commission's rules.<sup>51</sup> BellSouth also contends that its loading factors are reasonable and that it

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<sup>42</sup> Id. at 2-3.

<sup>43</sup> Id. at 6-7.

<sup>44</sup> Id. at 7-8.

<sup>45</sup> Id. at 8-10.

<sup>46</sup> Allnet Petition Against BellSouth Tr. 439 at 4-5; MCI Petition Against BellSouth Tr. 439 at 7-9; Sprint Petition Against BellSouth Tr. 439 at 2-6.

<sup>47</sup> Although MCI does not define this acronym, we assume that they are referring to the Common Channel Signaling Cost Information System (CCSCIS) model.

<sup>48</sup> MCI Petition Against BellSouth Tr. 439 at 8.

<sup>49</sup> Allnet Petition Against BellSouth Tr. 439 at 4-5; Sprint Petition Against BellSouth Tr. 439 at 2-6. at 7-9.

<sup>50</sup> MCI Petition Against BellSouth Tr. 439 at 3-5.

<sup>51</sup> BellSouth Reply to Petitions Against Tr. 439 at 2-9.

uses the same methodology to derive incremental costs for both the Local Transport category and for the LIDB access service rate elements.<sup>52</sup> BellSouth also argues that Transmittal 439 sufficiently describes the terms and conditions applicable to LIDB access service.<sup>53</sup>

4. GTE

35. On November 27, 1991, MCI filed a petition to reject, or suspend and investigate GTE Transmittal No. 691, and a petition to reject, or suspend and investigate GTE Transmittal No. 692. GTE filed one reply to both petitions on December 9, 1991.

36. MCI charges that GTE uses questionable demand forecasts which distort the information shown in the net revenue test.<sup>54</sup> MCI also claims that GTE's proposed credit allowance, which applies only after 30 minutes or more of outage time, is unreasonable.<sup>55</sup> MCI further argues that the cost support for the LIDB rates in Transmittal 692 is insufficient and claims that the rates are unreasonably high.<sup>56</sup> Finally, MCI argues that the terms and conditions in GTE's LIDB tariff are unreasonably vague.<sup>57</sup>

37. GTE replies that MCI's analysis of GTE's demand projections is incomplete and erroneous.<sup>58</sup> GTE asserts that its time out of service requirement of a 30 minute or more outage period for a credit allowance is warranted and does not impose an unreasonable term or condition.<sup>59</sup> GTE also contends that the interconnection to GTE's CCS network and LIDB validation system is clearly defined, and that the terms and conditions for LIDB Query service are clear and not discriminatory.<sup>60</sup> Finally, GTE asserts that GTE's LIDB service rates are cost based and the underlying costs of that service are properly allocated.<sup>61</sup>

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<sup>52</sup> Id. at 7-9.

<sup>53</sup> Id. at 4-7.

<sup>54</sup> MCI Petition Against GTE Tr. 691 at 2-3.

<sup>55</sup> Id. at 3-5.

<sup>56</sup> MCI Petition Against GTE Tr. 692 at 7-9.

<sup>57</sup> Id. at 7-9.

<sup>58</sup> GTE Reply at 3-6.

<sup>59</sup> Id. at 6.

<sup>60</sup> Id. at 7-9.

<sup>61</sup> Id. at 11.

## 5. NYNEX

38. On November 27, 1991, MCI filed a petition to reject, or suspend and investigate NYNEX Transmittal No. 60. On December 2, 1991, Sprint filed a petition to suspend and investigate the NYNEX transmittal. NYNEX filed one opposition to both petitions on December 12, 1991.

39. MCI and Sprint argue that the cost support for NYNEX Transmittal No. 60 is insufficient and claim that the rates are unreasonably high.<sup>62</sup> MCI also alleges that the terms and conditions in NYNEX's tariff are unreasonably vague.<sup>63</sup>

40. NYNEX replies that its LIDB access service rates are not excessive and that NYNEX's cost support is in compliance with the requirements of the Commission's Part 69 ONA Order and therefore is adequate.<sup>64</sup> NYNEX also claims that MCI's contentions concerning the terms and conditions proposed by NYNEX for LIDB access service are unfounded.<sup>65</sup>

## 6. Pacific Bell

41. On November 27, 1991, MCI filed a petition to reject, or suspend and investigate Pacific Bell Transmittal No. 1557. On December 2, 1991, Sprint filed a petition to suspend and investigate the Pacific Bell transmittal. Pacific Bell filed a reply on December 12, 1991.

42. MCI and Sprint argue that the cost support for Pacific Bell Transmittal No. 1557 is insufficient and claim that the rates are unreasonably high.<sup>66</sup> MCI protests that Pacific Bell references the Bellcore Switching Cost Information System (SCIS) model in its cost support for LIDB service.<sup>67</sup> Sprint alleges that Pacific Bell's loading factor is unreasonably high.<sup>68</sup> MCI also

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<sup>62</sup> MCI Petition Against NYNEX Tr. 60 at 7-9; Sprint Petition Against NYNEX Tr. 60 at 2-3.

<sup>63</sup> MCI Petition Against Transmittal 575 at 3-5.

<sup>64</sup> NYNEX Opposition to Petitions to Reject or Suspend Tr. 60 at 8-11, (citing Amendments of Part 69 of the Commission's Rules Relating to the Creation of Access Charge Subelements for Open Network Architecture, CC Docket No. 89-79, Report and Order, Order on Further Reconsideration, and Supplemental Notice of Proposed Rulemaking, 6 FCC Rcd 4524 (1991) (Part 69 ONA Order)).

<sup>65</sup> Id. at 4-8.

<sup>66</sup> MCI Petition Against Pacific Bell Tr. 1557 at 3-5; Sprint Petition Against Pacific Bell Tr. 1557 at 2-5.

<sup>67</sup> MCI Petition Against Pacific Bell Tr. 1557 at 8.

<sup>68</sup> Sprint Petition Against Pacific Bell Tr. 1557 at 2-5.

charges that the terms and conditions in Pacific Bell's tariff are unreasonably vague.<sup>69</sup>

43. Pacific Bell replies that the rates for LIDB service have been sufficiently cost justified and contends that, because the SCIS model is proprietary, MCI, unlike the Commission, has no right to examine cost support information regarding that model.<sup>70</sup> Pacific Bell also argues that its loading factor is reasonable, noting that this was the average loading factor for Pacific Bell's switched services in 1990.<sup>71</sup> Pacific Bell disputes charges that the terms and conditions of its tariff are unreasonably vague, arguing that additional network performance standards are unnecessary.<sup>72</sup>

#### 7. Southwestern Bell

44. Allnet filed a petition to reject SWB Transmittal Nos. 2148 and 2149 on November 19, 1991. MCI filed one petition to reject or suspend and investigate SWB Transmittal No. 2148, and one petition to reject or suspend and investigate SWB Transmittal No. 2149 on November 19, 1991. Sprint filed a petition to suspend and investigate both transmittals on November 19, 1991. On November 27, 1991, SWB filed one reply to the petitions against Transmittal No. 2148, and another reply to the petitions against Transmittal No. 2149.

45. Allnet, MCI, and Sprint argue that the cost support for SWB Transmittal Nos. 2148 and 2149 is insufficient and claim that the rates are unreasonably high.<sup>73</sup> Allnet asserts that SWB is treating CCS links as special access, in direct conflict with the Southwestern Bell LIDB Order.<sup>74</sup> Allnet contends that SWB has set up its STP access mileage bands to favor AT&T.<sup>75</sup> Allnet claims that SWB's loading factors are unsupported and unreasonable.<sup>76</sup> Allnet and MCI complain that SWB uses questionable demand forecasts for LIDB

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<sup>69</sup> MCI Petition Against Pacific Bell Tr. 1557 at 3-5.

<sup>70</sup> Pacific Bell Reply to Petitions Against Tr. 1557 at 4-7.

<sup>71</sup> Id. at 6. Pacific Bell also disputes Sprint's claim that Pacific Bell should have developed its loading factor using the switched transport category instead of total access.

<sup>72</sup> Id. at 7-12.

<sup>73</sup> Allnet Petition Against SWB Trs. 2148 and 2149 at 1-2, 8-10; MCI Petition Against SWB Tr. 2148 at 3-6; MCI Petition Against SWB Tr. 2149 at 9-11; Sprint Petition Against SWB Trs. 2148 and 2149 at 2-3.

<sup>74</sup> Allnet Petition Against Trs. 2148 and 2149 at 4-6.

<sup>75</sup> Id. at 9-10.

<sup>76</sup> Id. at 8-9.

validation.<sup>77</sup> MCI also alleges that the terms and conditions in SWB's LIDB tariff are unreasonably vague.<sup>78</sup>

46. SWB replies that SWB has provided sufficient cost support data for both tariffs and is in compliance with the Part 69 ONA Order.<sup>79</sup> In response to claims that the CCS link is being treated as special access, SWB replies that Allnet is mistaken. The STP access mileage is provided as a transport subelement.<sup>80</sup> Further, says SWB, the STP access mileage band does not favor AT&T.<sup>81</sup> SWB argues that its estimate of no growth in demand for SWB's LIDB validation service is accurate because additional queries from new customers will balance the loss of queries attributable to calling card competition.<sup>82</sup> SWB also claims that MCI's contentions concerning the terms and conditions for SWB's LIDB access service are unfounded.<sup>83</sup>

#### 8. United

47. On November 27, 1991, MCI filed a petition to reject or suspend and investigate United Transmittal No. 287. United filed a reply on December 9, 1991.

48. MCI argues that the cost support for United Transmittal No. 287 is inadequate and claims that the rates are excessive.<sup>84</sup> MCI complains that United fails to include any documentation of the Common Channel Signaling Cost Information System model it uses to determine the direct capital costs for an STP port.<sup>85</sup> MCI also contends that the demand forecasts of United are questionable.<sup>86</sup> MCI further alleges that the terms and conditions in United's tariff are unreasonably vague.<sup>87</sup>

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<sup>77</sup> Id. at 10; MCI Petition against SWB Tr. 2149 at 10-11.

<sup>78</sup> MCI Petition Against Tr. 2149 at 3-9.

<sup>79</sup> SWB Reply to Petitions Against Tr. 2148 at 2-5; SWB Reply to Petitions Against Tr. 2149 at 8-9.

<sup>80</sup> SWB Reply to Petitions Against SWB Tr. 2149 at 6-7.

<sup>81</sup> Id. at 9.

<sup>82</sup> SWB Reply to Petitions Against Tr. 2149 at 8.

<sup>83</sup> SWB Reply to Petitions Against Tr. 2149 at 4-8.

<sup>84</sup> MCI Petition Against United Tr. 287 at 5-8.

<sup>85</sup> Id. at 7.

<sup>86</sup> Id. at 7.

<sup>87</sup> MCI Petition Against United Tr. 287 at 2-5.

49. United replies that its rates are reasonable and that its cost support is adequate. United argues that simply loading LIDB expenses into United's access rates, as MCI suggests, would unreasonably charge all interexchange carriers for LIDB usage regardless of whether such carriers are LIDB subscribers or even accept calling cards, collect calls, and third party billing.<sup>88</sup> United disputes MCI's claim that the cost support model is unavailable for inspection, arguing that the costs used by United are thoroughly documented in the description and justification.<sup>89</sup> United also disputes MCI's claims that demand forecasts are overstated.<sup>90</sup> United also claims that MCI's contentions concerning the terms and conditions proposed by United for LIDB access service are baseless.<sup>91</sup>

#### 9. US West

50. On November 12, 1991, Allnet, MCI, and Sprint each filed petitions to reject or to suspend and investigate US West Transmittal 203. US West filed one reply to all three petitions on November 22, 1991.

51. Allnet, MCI, and Sprint argue that the cost support for US West Transmittal No. 203 is insufficient and claim that the rates are unreasonably high.<sup>92</sup> MCI charges that it is unclear whether US West's filing includes only interstate costs.<sup>93</sup> Allnet and Sprint claim that US West's loading factors are unsupported and unreasonable and protest that the requirement that all carriers purchase a DS1 facility to access LIDB is unreasonable.<sup>94</sup> Allnet complains that US West uses questionable demand forecasts for LIDB validation.<sup>95</sup> MCI also alleges that the terms and conditions in US West's tariff are unreasonably vague.<sup>96</sup>

52. US West replies that the cost support for LIDB and common channel signaling access capability fully complies with the Commission's Part 69 ONA Order, and in response to MCI's allegation asserts that Transmittal 203 adheres

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<sup>88</sup> United Reply to Petition Against United Tr. 287 at 5-8.

<sup>89</sup> Id. at 8.

<sup>90</sup> Id. at 6-8.

<sup>91</sup> Id. at 2-5.

<sup>92</sup> Allnet Petition Against US West Tr. 203 at 3-5; MCI Petition Against US West Tr. 203 at 12-15; Sprint Petition Against US West Tr. 203 at 3-7.

<sup>93</sup> MCI Petition Against US West Tr. 203 at 14-15.

<sup>94</sup> Allnet Petition Against US West Tr. 203 at 3-4; Sprint Petition Against US West Tr. 203 at 8-9.

<sup>95</sup> Allnet Petition Against US West Tr. 203 at 5-6.

<sup>96</sup> MCI Petition Against US West Tr. 203 at 3-8.

to the Commission's separations rules.<sup>97</sup> US West also claims that its loading factors are reasonable and argues that the requirement of a DS1 facility is reasonable, particularly in light of network reliability concerns.<sup>98</sup> US West disputes MCI's contentions concerning the terms and conditions of Transmittal 203, claiming that MCI's allegations are unfounded and misleading.<sup>99</sup>

#### C. Discussion

53. We conclude, based on our review of the transmittals and the associated pleadings that these transmittals raise substantial questions of law and fact which require further investigation to determine whether the rate levels are excessive and whether the terms and conditions are reasonable. Therefore, because customers may be subject to excessive rates as a result these transmittals which may warrant refunds at the conclusion of this investigation, we will suspend all of the above-referenced transmittals for one day, impose an accounting order, and initiate an investigation. We will establish a pleading cycle and designate the specific issues to be examined in this investigation in a future Order.

#### IV. ORDERING CLAUSES

54. Accordingly, IT IS ORDERED that the petitions for waiver of Part 69 of the Commission's Rules, 47 C.F.R. Part 69, filed by Ameritech Operating Companies, Bell Atlantic Telephone Companies, BellSouth Telephone Companies, GTE Telephone Operating Companies, NYNEX Telephone Companies, Pacific Bell Telephone Companies, United Telephone System, and US West, Inc., ARE GRANTED.

55. IT IS FURTHER ORDERED that the petitions to deny the above-referenced waiver petitions, filed by Allnet Communication Services, Inc., and US Sprint Communications Company Limited Partnership, ARE DENIED.

56. IT IS FURTHER ORDERED that, pursuant to Sections 204(a) and 403 of the Communications Act of 1934, 47 U.S.C. §§ 204(a), 403, an investigation IS INSTITUTED into the lawfulness of the tariff revisions filed by Ameritech Operating Companies in Tariff F.C.C. No. 2, Transmittal Nos. 574, 575, and 586, Bell Atlantic Telephone Companies in Tariff F.C.C. No. 1, Transmittal No. 476, BellSouth Telephone Companies in Tariff F.C.C. No. 4, Transmittal No. 439, GTE Telephone Operating Companies in Tariff F.C.C. No. 1, Transmittal Nos. 691 and 692, NYNEX Telephone Companies in Tariff F.C.C. No. 1, Transmittal Nos. 60, 61, 67, and 70, Pacific Bell Telephone Companies in Tariff F.C.C. No. 128, Transmittal Nos. 1557 and 1558, Southwestern Bell Telephone Company in Tariff F.C.C. No. 68, Transmittal Nos. 2148 and 2149, United Telephone System in Tariff F.C.C. No. 5, Transmittal No. 287, and US West, Inc., in Tariff F.C.C. No. 1, Transmittal Nos. 203 and 219.

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<sup>97</sup> US West Reply to Petitions Against US West Tr. 203 at 3-15.

<sup>98</sup> Id. at 4-6, 9-11.

<sup>99</sup> Id. at 15-22.



57. IT IS FURTHER ORDERED that, pursuant to Section 204(a) of the Communications Act of 1934, 47 U.S.C. § 204(a), and Section 0.291 of the Commission's Rules, 47 C.F.R. § 0.291, the instant tariff revisions filed by Ameritech Operating Companies, Bell Atlantic Telephone Companies, BellSouth Telephone Companies, GTE Telephone Operating Companies, NYNEX Telephone Companies, Pacific Bell Telephone Companies, Southwestern Bell Telephone Company, United Telephone System, and US West, Inc., ARE SUSPENDED for one day.

58. IT IS FURTHER ORDERED that, pursuant to Section 204(a) of the Communications Act of 1934, 47 U.S.C. § 204(a), and Section 0.291 of the Commission's Rules, 47 C.F.R. § 0.291, Ameritech Operating Companies, Bell Atlantic Telephone Companies, BellSouth Telephone Companies, GTE Telephone Operating Companies, NYNEX Telephone Companies, Pacific Bell Telephone Companies, Southwestern Bell Telephone Company, United Telephone System, and US West, Inc., SHALL FILE tariff revisions reflecting this suspension no later than seven business days from the release of this Order. We hereby waive Sections 61.56, 61.58, and 61.59 of the Commission's Rules, 47 C.F.R. §§ 61.56, 61.58, and 61.59, and grant Special Permission No. 91-1126 for this purpose.

59. IT IS FURTHER ORDERED that, pursuant to Sections 4(i) and 204(a) of the Communications Act of 1934, 47 U.S.C. §§ 154(i), 204(a), and Section 0.291 of the Commission's Rules, 47 C.F.R. § 0.291, Ameritech Operating Companies, Bell Atlantic Telephone Companies, BellSouth Telephone Companies, GTE Telephone Operating Companies, NYNEX Telephone Companies, Pacific Bell Telephone Companies, Southwestern Bell Telephone Company, United Telephone System, and US West, Inc., SHALL KEEP ACCURATE ACCOUNT of all earnings, costs, and returns associated with the rates that are the subject of this investigation.

60. IT IS FURTHER ORDERED that the petitions for rejection or suspension and investigation of the instant transmittals, filed by Allnet Communication Services, Inc., MCI Telecommunications Corporation, and US Sprint Communications Company Limited Partnership, ARE GRANTED to the extent indicated, and otherwise ARE DENIED.

FEDERAL COMMUNICATIONS COMMISSION



Carl D. Lawson  
Deputy Chief (Policy)  
Common Carrier Bureau